

Governmental Operations

Office of the Governor

Children's Services

A total of \$1.5 million from the state general fund is provided through the Office of the Governor for improvements to children's services. A portion of the funding will be used to conduct a management improvement project for the Children and Family Services Division of the Department of Social and Health Services. A legislative advisory committee will provide assistance and public input for the project. A portion of the funding will also be used to establish a new Office of the Children's Ombudsman within the Office of the Governor, pursuant to Chapter 131, Laws of 1996 (2SHB 2856). The Governor vetoed portions of the legislative directions regarding use of this funding. (For details, see veto comments on Page 55.)

Puget Sound Plan Coordination

To coordinate the implementation of the Puget Sound plan in accordance with Chapter 138, Laws of 1996 (ESHB 2875), the Office of the Governor is provided with funding to hire the chair and staff of the Puget Sound Action Team and for other administrative expenses. A total of \$1.3 million is provided from the state general fund and \$0.2 million is from federal funds.

Office of the State Auditor

To ensure that special education funds are expended on eligible special education children in the common school system, \$486,000 from the state general fund is provided to conduct audits of special education programs specified for review as a result of the proceedings of the state Special Education Safety Net Committee established in the 1995 Appropriations Act.

Department of Community, Trade, and Economic Development

Early Childhood Education

An amount of \$3.9 million is provided from the state general fund to serve an additional 860 Early Childhood Education and Assistance Program (ECEAP) and headstart children. The additional funding is intended to serve children currently on the waiting list for each of these programs.

Farmworker Housing

An amount of \$2.0 million is provided to construct and operate farmworker housing in the state. These newly available, one-time federal funds will allow the construction of low-income housing to address the shortfall in available housing for farm workers that currently exists throughout the state.

Services for Victims of Sexual Assault

As an efficiency move and in response to the recommendations of an advisory task force, the Legislature authorized in Chapter 123, Laws of 1996 (SHB 2579), the consolidation of services to sexual assault victims. Sexual assault services and state funding administered by the Department of Social and Health Services are transferred to the Department of Community, Trade, and Economic Development (DCTED) and consolidated with like services administered by DCTED.

Community Action Agencies

An amount of \$1.0 million is provided from the state general fund to Community Action Agencies to replace federal funding declared ineligible for certain "non-entitlement" communities in the state. The Federal Housing and Urban Development agency declared that certain community action agencies were illegally receiving Community

Development Block Grants. The state funds will allow community action agencies to continue serving low-income individuals in these ineligible areas.

Headstart for Children

In anticipation of reduced federal funding for Headstart services to children, \$1.0 million is provided from the state general fund to offset the loss of federal funds.

Tourism

An amount of \$1.0 million is provided to the department to expand its tourism marketing efforts at both the national and international levels. The additional funds are for advertising, promotion, and further development of key regional, national, and international markets.

Department of Retirement Systems

An amount of \$650,000 from the Retirement Systems Administrative Expense Fund is provided for development and delivery of detailed employee education information for Teachers Retirement System (TRS) Plan II members who are considering transferring to TRS Plan III.

Department of General Administration

An amount of \$2.5 million is provided from the state general fund to replace lost federal funding and food distributed through the Emergency Food Assistance program. Current levels of food will be purchased and distributed through 330 food banks and 127 soup kitchens throughout the remainder of the 1995-97 biennium.

Liquor Control Board

An amount of \$143,000 is provided from the Liquor Revolving Account for a pilot project testing the effect of credit card use in state liquor stores as directed in Chapter 291, Laws of 1996 (HB 2341). The pilot is limited to 20 stores and is 18 months in duration.

Gambling Commission

In response to the expansion of tribal gambling, \$2.2 million is provided from the Gambling Revolving Account for the increased regulatory workload of the Gambling Commission for casinos. Funding for increased regulatory and enforcement efforts is generated from fees from gambling licensing services and direct billing for field monitoring. An additional \$1.0 million is provided from the state general fund to make up for a revenue shortfall related to regulatory activities for non-casino gambling.

Military Department

Emergency Management Division

In response to the extensive damage caused by recent winter storms and floods, as well as prior disasters, approximately \$23.2 million in state and \$98.2 million in federal disaster assistance is provided for individual assistance, future flood prevention, and reconstruction of public facilities. Historically, the Federal Emergency Management Administration provides funding for 75 percent of eligible disaster related costs while state and local jurisdictions split the remaining 25 percent as a requirement to receive the federal assistance. Given the extraordinary level of damage incurred in some jurisdictions as a result of the February 1996 floods, funding is provided for the local 12.5 percent matching requirement for those locales where the cost of the flood damage is far beyond what the community's budget can support. In addition, \$5.0 million in grants is provided through the Department of Ecology for repairs to local dikes and levees that are not eligible for federal disaster assistance.

Enhanced 911 Telecommunications

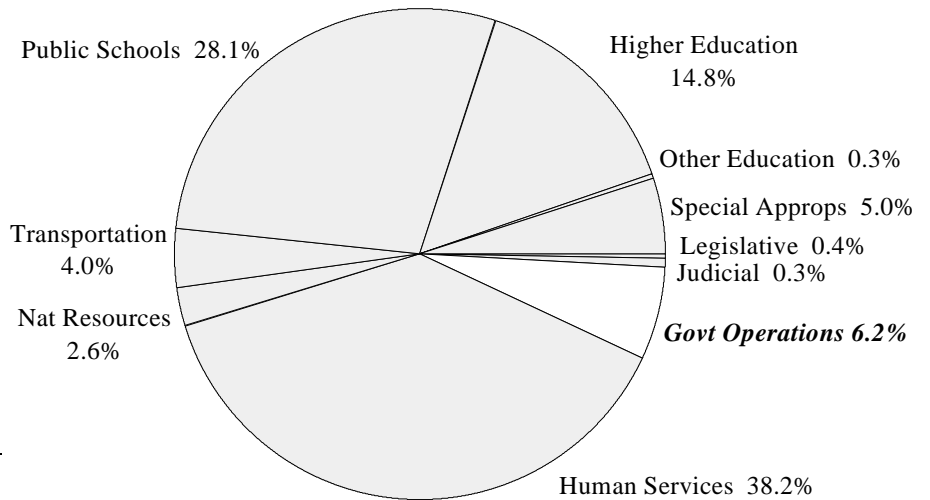
An amount of \$8.2 million is provided from the Enhanced 911 Account to be distributed as grants to counties for implementation of Enhanced 911 telephone systems.

1995-97 Washington State Operating Budget

Total Budgeted Funds

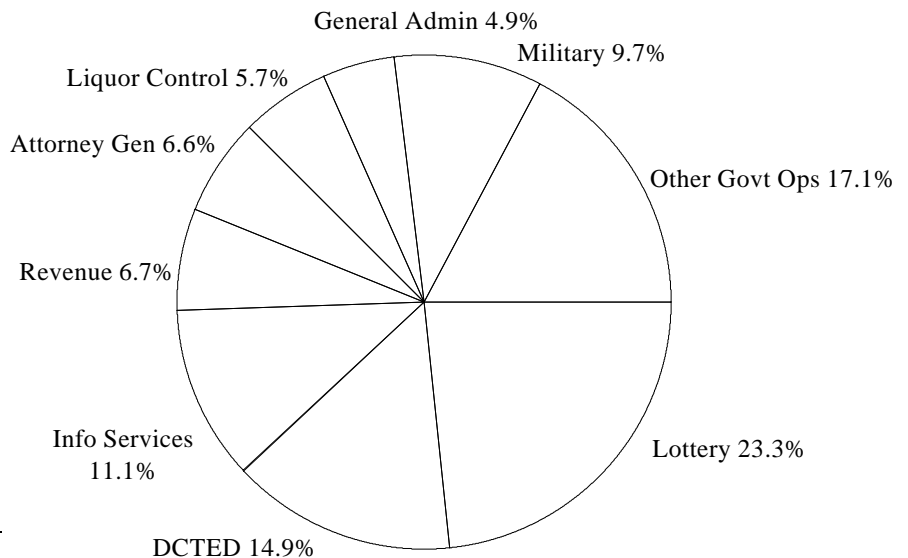
(Dollars in Thousands)

Legislative	112,569
Judicial	111,119
Governmental Operations	1,998,443
Human Services	12,284,095
Natural Resources	834,677
Transportation	1,292,457
Public Schools	9,039,050
Higher Education	4,756,574
Other Education	89,521
Special Appropriations	1,608,460
Statewide Total	32,126,965



Washington State

State Lottery Comm	465,718
Comm/Trade/Econ Dev	297,111
Dept of Info Services	222,714
Dept of Revenue	133,831
Attorney General	131,355
Liquor Control Board	113,604
Dept of General Admin	97,737
Military Department	194,639
Other Govt Operations	341,734
Governmental Operations	1,998,443



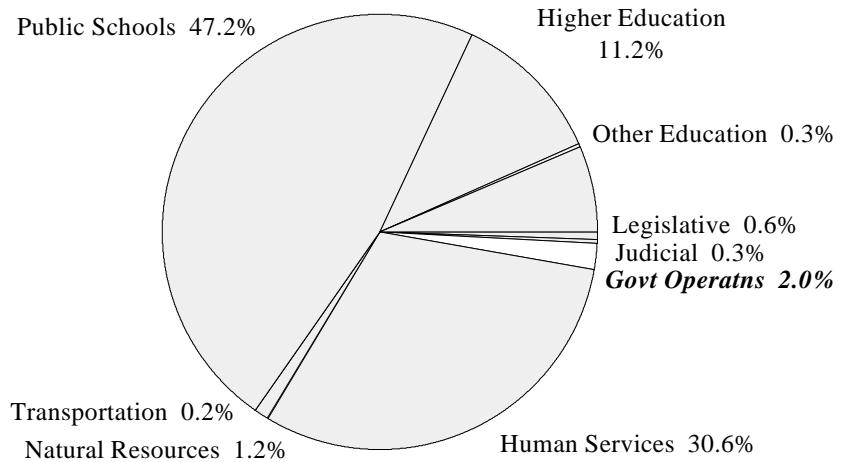
Governmental Operations

1995-97 Washington State Operating Budget

General Fund - State

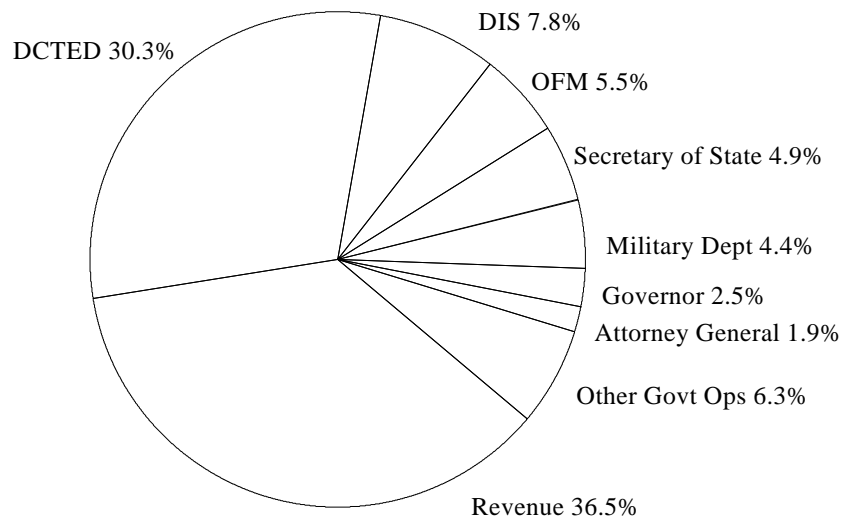
(Dollars in Thousands)

Legislative	105,076
Judicial	55,600
Governmental Operations	344,699
Human Services	5,394,546
Natural Resources	206,164
Transportation	27,978
Public Schools	8,316,882
Higher Education	1,966,688
Other Education	46,787
Special Appropriations	1,146,957
Statewide Total	17,611,377



Washington State

Dept of Revenue	125,712
Comm/Trade/Econ Dev	104,313
Dept of Info Services	27,000
Office of Financial Mgmt	18,870
Secretary of State	16,849
Military Department	15,191
Office of Governor	8,655
Attorney General	6,503
Other Govt Operations	21,606
Governmental Operations	344,699



Governmental Operations

Office of the Governor

(Dollars in Thousands)

	GF-S	Other	Total
1995-97 ORIGINAL APPROPRIATIONS	5,797	0	5,797
1996 Supplemental Budget			
1. Children's Services Reorganization	1,100	0	1,100
2. Child, Youth, and Family Ombudsman	418	0	418
3. Puget Sound Plan Coordination	1,340	225	1,565
Total Supplemental Items	2,858	225	3,083
1995-97 REVISED APPROPRIATIONS	8,655	225	8,880
Fiscal Year 1996 Totals	2,899	0	2,899
Fiscal Year 1997 Totals	5,756	225	5,981

Comments:

1. CHILDREN'S SERVICES REORGANIZATION - Funding is provided for the Public Policy Institute at The Evergreen State College to direct a management improvement project for the Division of Children and Family Services. The project shall be undertaken by an expert in the field of organizational structure and process improvement. Activities in the project include an examination of the division's mission, goals, strategic plan, and performance-based outcome measurements. The process shall include managers, supervisors, front-line workers, and clients. The project shall be completed by December 1, 1996 and a report submitted to the Legislature by January 1, 1997. (See Governor's Vetoes)
2. CHILD, YOUTH, AND FAMILY OMBUDSMAN - The staff and funding of the Office of Constituent Relations in DSHS Division of Children and Family Services are transferred to the Office of the Governor to establish the ombudsman's office. Among other duties, the ombudsman shall investigate complaints regarding state children and family services programs and review reports prepared by the Division of Children and Family Services relating to unexpected deaths of children under the care of the department. (See Governor's Vetoes)
3. PUGET SOUND PLAN COORDINATION - Funding is provided to coordinate implementation of the Puget Sound plan pursuant to Chapter 138, Laws of 1996 (ESHB 2875). The funds are provided solely for hiring the chair and staff of the Puget Sound action team and for other administrative expenses necessary to implement Chapter 138, Laws of 1996 (ESHB 2875).

Governor's Vetoes:

Children & Family Services Management Improvement Project - The Governor vetoed a provision requiring allocation of \$1.1 million to the Public Policy Institute at The Evergreen State College to direct a management improvement project for the Division of Children and Family Services. The Governor stated his intent to complete the management improvement project while re-directing some of the funding to other issues relating to children and family services. Specifically, the Governor intends to use some of the funds to (1) examine substance abuse and its impact on the delivery of services to families; (2) implement unspecified modifications to the child welfare system; and (3) create a separate licensing function for entities caring for children.

The Governor also vetoed a separate subsection establishing an oversight group for the management improvement project (consisting of the Attorney General, chief of the State Patrol, the Child, Youth, and Family Ombudsman, and a gubernatorial appointee). The Governor stated his intent to include these persons in a broader oversight group that will include children's services experts from the public and private sector. The legislative advisory group created by the budget bill was retained by the Governor.

The Child, Youth, and Family Ombudsman within the Office of the Governor - The Governor vetoed a proviso that would have required the transferring the Office of Constituent Relations from DSHS to the Governor's office to fund the Ombudsman. The Governor stated his belief the Office of Constituent Relations should not be transferred and that the Ombudsman will be funded without the transfer of the Office of Constituent Relations.

Public Disclosure Commission

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
1995-97 ORIGINAL APPROPRIATIONS	2,152	1	2,153
1996 Supplemental Budget			
1. Consolidated Mail Services	19	0	19
2. Special Counsel	5	0	5
Total Supplemental Items	24	0	24
1995-97 REVISED APPROPRIATIONS	2,176	1	2,177
Fiscal Year 1996 Totals	1,125	1	1,126
Fiscal Year 1997 Totals	1,051	0	1,051

Comments:

1. CONSOLIDATED MAIL SERVICES - Funds are provided to cover increased consolidated mail charges. Additional funding is necessary to maintain current level of mailings.
2. SPECIAL COUNSEL - One-time funding is provided for costs incurred in retaining a private law firm to investigate two complaints against the Attorney General. While the Office of the Attorney General performs the investigative services for the Public Disclosure Commission (PDC) in other cases, the avoidance of any conflict of interest supports the use of outside counsel.

Office of the Secretary of State

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
1995-97 ORIGINAL APPROPRIATIONS	14,373	5,755	20,128
1996 Supplemental Budget			
1. Legal Advertising/Voter Hotline	50	0	50
2. Odd Year Election	1,700	0	1,700
3. Presidential Preference Primary	726	0	726
4. Local Government Archive Services	0	885	885
Total Supplemental Items	2,476	885	3,361
1995-97 REVISED APPROPRIATIONS	16,849	6,640	23,489
Fiscal Year 1996 Totals	10,857	2,850	13,707
Fiscal Year 1997 Totals	5,992	3,790	9,782

Comments:

1. LEGAL ADVERTISING/VOTER HOTLINE - Funds unanticipated costs to publish legal advertisements for the constitutional amendment (Substitute Senate Joint Resolution 8210) changing the way Supreme Court Justices are chosen. Also included is \$5,000 to cover the special voter hotline used to provide public information concerning three state offices vacated after the voter pamphlet was prepared.
2. ODD YEAR ELECTION - Funds are provided to reimburse counties for the state's share of the 1995 primary and general elections. State law requires that these costs be reimbursed from appropriations specifically provided for this purpose.
3. PRESIDENTIAL PREFERENCE PRIMARY - Provides funding to reimburse counties for the 1996 Presidential Preference Primary election held in March 1996.
4. LOCAL GOVERNMENT ARCHIVE SERVICES - Provides appropriation authority for increased revenues to the Archives and Records Management Account as authorized by Chapter 245, Laws of 1996 (SB 6718). Increased funding will support archive services to local governments through the state's regional branch archive system.

Office of the State Treasurer

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
1995-97 ORIGINAL APPROPRIATIONS	0	10,454	10,454
1996 Supplemental Budget			
1. Financial Systems Review	<u>0</u>	<u>200</u>	<u>200</u>
Total Supplemental Items	0	200	200
1995-97 REVISED APPROPRIATIONS	0	10,654	10,654
Fiscal Year 1996 Totals	0	5,190	5,190
Fiscal Year 1997 Totals	0	5,464	5,464

Comments:

1. FINANCIAL SYSTEMS REVIEW - Funds are provided for a personal service contract for expert analysis of the systems and recommendations for more effective means of fulfilling these functions. Of this amount, \$176,000 is for a comprehensive assessment of the agency's information systems and \$24,000 is for a feasibility study addressing three of the smaller systems. (State Treasurer's Service Account)

NOTE: Amounts shown here reflect only the Omnibus Appropriations Act. The remainder of the Office of State Treasurer's budget is shown in the Transportation Budget section of this document.

Office of the State Auditor

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
1995-97 ORIGINAL APPROPRIATIONS	22	36,700	36,722
1996 Supplemental Budget			
1. Special Education Eligibility Audit	<u>486</u>	<u>0</u>	<u>486</u>
Total Supplemental Items	486	0	486
1995-97 REVISED APPROPRIATIONS	508	36,700	37,208
Fiscal Year 1996 Totals	78	19,146	19,224
Fiscal Year 1997 Totals	430	17,554	17,984

Comments:

1. SPECIAL EDUCATION ELIGIBILITY AUDIT - To ensure that state funds are being expended appropriately on eligible special education children in the common school system, \$486,000 is provided to conduct audits of special education programs specified for review as a result of the proceedings of the State Special Education Safety Net Committee established in the 1995 Appropriations Act.

Governor's Office of Indian Affairs

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
1995-97 ORIGINAL APPROPRIATIONS	303	0	303
1996 Supplemental Budget			
1. Agency Director Salary Shortfall	23	0	23
2. Unemployment Compensation	11	0	11
Total Supplemental Items	34	0	34
1995-97 REVISED APPROPRIATIONS	337	0	337
Fiscal Year 1996 Totals	168	0	168
Fiscal Year 1997 Totals	169	0	169

Comments:

1. AGENCY DIRECTOR SALARY SHORTFALL - Additional funding is provided for director's salary costs. A new director was appointed at a higher salary range than what was provided in the 1995 biennial budget.
2. UNEMPLOYMENT COMPENSATION - Additional funds are provided to cover the cost of unemployment compensation.

Washington State Commission on Asian-Pacific-American Affairs

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
1995-97 ORIGINAL APPROPRIATIONS	346	0	346
1996 Supplemental Budget			
1. Rent Increase	<u>15</u>	<u>0</u>	<u>15</u>
Total Supplemental Items	15	0	15
1995-97 REVISED APPROPRIATIONS	361	0	361
Fiscal Year 1996 Totals	180	0	180
Fiscal Year 1997 Totals	181	0	181

Comments:

1. RENT INCREASE - Funding is provided to cover the rent and utility increase for the Olympia office where the agency is co-located with the Commissions on Hispanic and African-American Affairs.

Office of the Attorney General

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
1995-97 ORIGINAL APPROPRIATIONS	6,453	124,852	131,305
1996 Supplemental Budget			
1. Trust Lands Facilitation	<u>50</u>	<u>0</u>	<u>50</u>
Total Supplemental Items	50	0	50
1995-97 REVISED APPROPRIATIONS	6,503	124,852	131,355
Fiscal Year 1996 Totals	3,228	62,624	65,852
Fiscal Year 1997 Totals	3,275	62,228	65,503

Comments:

1. TRUST LANDS FACILITATION - Funds are provided to retain a facilitator to assist the Department of Natural Resources, as trustee, and the state's four-year institutions of higher education, as trust beneficiaries, to develop factual issues relating to habitat conservation plans on public lands.

Department of Financial Institutions

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
1995-97 ORIGINAL APPROPRIATIONS	0	13,434	13,434
1996 Supplemental Budget			
1. Check Cashier & Seller Assessment	0	6	6
2. Division of Credit Union Fees	0	324	324
Total Supplemental Items	0	330	330
1995-97 REVISED APPROPRIATIONS	0	13,764	13,764
Fiscal Year 1996 Totals	0	6,655	6,655
Fiscal Year 1997 Totals	0	7,109	7,109

Comments:

1. CHECK CASHIER & SELLER ASSESSMENT - The Department of Financial Institutions (DFI) currently experiences a revenue shortfall in the check cashier and check seller program. Since the accounting for this program was not previously separated from the consumer loan and banking programs, the revenue shortfall had not been identified. Chapter 13, Laws of 1996 (HB 2810) allows the director of DFI to set check cashier and check seller annual assessments and fees at a level sufficient to create a self-supporting program. Funding is provided for the cost of the rule making necessary to implement the legislation. (Banking Examination Account, Non-appropriated)
2. DIVISION OF CREDIT UNION FEES - The Department of Financial Institutions' Division of Credit Unions has experienced unexpected tort defense costs and has operating costs which cannot be met with the current rate structure. In the past, fees would have been increased by a sufficient amount to cover these costs. Authority is provided in the budget bill to increase fees to provide funding for attorney general expenses, operations, and to build a fund balance sufficient to cover tort defense costs. (Credit Unions Examination Account, Non-appropriated)

Department of Community, Trade, & Economic Development

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
1995-97 ORIGINAL APPROPRIATIONS	95,955	182,616	278,571
1996 Supplemental Budget			
1. Clean Washington Center - 2nd Year	0	699	699
2. Tourism Marketing	1,000	0	1,000
3. Community Action Programs	1,000	0	1,000
4. Public Works Trust Fund	0	98	98
5. Manufactured Home Installation	0	100	100
6. Housing Trust Fund	0	3,300	3,300
7. Transfer to Military & State Patrol	-343	-2,748	-3,091
8. Legal Services for the Poor	0	1,000	1,000
9. International Trade	60	0	60
10. Farmworker Housing	-1,050	3,050	2,000
11. Transfer of Energy Functions	839	4,648	5,487
12. Federal Byrne Grant Adjustment	0	-216	-216
13. Victims of Sexual Assault Transfer	1,865	0	1,865
14. Headstart Reductions	1,000	0	1,000
15. Early Childhood Education	3,862	0	3,862
16. PNWER	100	0	100
17. Park Feasibility Study	25	0	25
Total Supplemental Items	8,358	9,931	18,289
1995-97 REVISED APPROPRIATIONS	104,313	192,547	296,860
Fiscal Year 1996 Totals	49,164	84,352	133,516
Fiscal Year 1997 Totals	55,149	108,195	163,344

Comments:

1. CLEAN WASHINGTON CENTER - 2ND YEAR - Funding is provided to support the center during the second year of the current biennium. (Litter Account, Vehicle Tire Recycling Account)
2. TOURISM MARKETING - Funding is provided to expand state tourism marketing activities in national and international markets.
3. COMMUNITY ACTION PROGRAMS - After the 1995-97 budget was adopted, the U.S. Department of Housing and Urban Development (HUD) informed the state that Community Action Agencies in "non-entitlement areas" were ineligible for funding from the federal Community Development Block Grant (CDBG) program. State funding is provided to replace CDBG funding in these ineligible areas.
4. PUBLIC WORKS TRUST FUND - Funding is provided to hire an additional staff person to evaluate funding requests anticipated as a result of increased capital appropriations for the Public Works Trust Fund program. (Public Works Assistance Account)
5. MANUFACTURED HOME INSTALLATION - Reflects increased revenues to the manufactured housing installer training and certification program. This fee-generated revenue will be used to provide installer training on a quarterly basis. (Manufactured Housing Installation Training Account)
6. HOUSING TRUST FUND - Provides the correct level of funding for currently obligated contracts administered by the Housing Trust Fund program. (Housing Trust Account)
7. TRANSFER TO MILITARY & STATE PATROL - Funding for earthquake preparedness activities and compensation adjustments is transferred from CTED to the Washington State Patrol and the Military Department as provided in Chapters 369 and 391, Laws of 1995. These adjustments should finalize the funding in support of the transferred activities. (General Fund-State, General Fund-Federal)
8. LEGAL SERVICES FOR THE POOR - Funding is provided to help maintain access to legal services and partially offsets federal funding reductions. (Public Safety and Education Account)
9. INTERNATIONAL TRADE - Funding is provided for the Globalsoft software trade show and attorney general support related to trade barrier issues.
10. FARMWORKER HOUSING - Two million dollars of newly available, one-time federal funding will be used to develop and operate housing for low-income farmworkers. The Department of Community, Trade, and Economic Development will administer the funds through the Housing Assistance Program in cooperation with the Department of Social and Health Services, the Department of Health, and the Department of Labor and Industries. The reduction in General

Department of Community, Trade, & Economic Development

Fund-State is one-time and replacement funds for this reduction will be necessary next biennium. (General Fund-Federal)

11. TRANSFER OF ENERGY FUNCTIONS - Funding is provided for the Energy Facility Site Evaluation Council and energy policy functions as provided in Chapter 186, Laws of 1996 (4SHB 2009 -- State Energy Office). Transitional funding is also provided to pay unemployment and vacation buyouts of Energy Office employees and for other administrative and accounting close-out activities. (General Fund-State; General Fund-Federal; Energy Account, Non-appropriated)
12. FEDERAL BYRNE GRANT ADJUSTMENT - Adjusts federal funds to what is actually available to the state during FY 97 for the drug control and system improvement formula grant program. (General Fund-Federal)
13. VICTIMS OF SEXUAL ASSAULT TRANSFER - Transfers state funds for services to victims of sexual assault from the DSHS, Division of Children and Family Services to the Department of Community, Trade and Economic Development as provided in Chapter 123, Laws of 1996 (SHB 2579 -- Sexual Abuse Victims).
14. HEADSTART REDUCTIONS - Federal funding for the Headstart program is anticipated to be reduced in the current biennium. State funding is provided to increase the state match for the Headstart program to maintain services to children.
15. EARLY CHILDHOOD EDUCATION - Increased funding is provided for the Early Childhood Education and Assistance Program (ECEAP). These funds will be used to serve 860 children currently on waiting lists for the ECEAP and the Headstart program.
16. PNWER - Funding is provided to the Pacific Northwest Economic Region (PNWER) to cover 1995-97 dues for the state of Washington and to support the CATALIST program.
17. PARK FEASIBILITY STUDY - Pass-through funding is provided to the city of Burien to study the feasibility of purchasing property within the city for park purposes.

Governor's Vetoes:

Asian-Pacific Economic Conference (APEC). The Governor vetoed a proviso in the Department of Community, Trade, and Economic Development that would have required DCTED to allocate \$180,000 from its existing budget to supplement private funding for APEC.

NOTE: Amounts shown here reflect only the Omnibus Appropriations Act. The remainder of the Department of Community, Trade, and Economic Development's budget is shown in the Transportation Budget section of this document.

Economic & Revenue Forecast Council

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
1995-97 ORIGINAL APPROPRIATIONS	820	0	820
1996 Supplemental Budget			
1. Economic Climate Council	60	0	60
2. Review OFM Accounting	103	0	103
Total Supplemental Items	163	0	163
1995-97 REVISED APPROPRIATIONS	983	0	983
Fiscal Year 1996 Totals	422	0	422
Fiscal Year 1997 Totals	561	0	561

Comments:

1. ECONOMIC CLIMATE COUNCIL - Funding is provided to implement Chapter 152, Laws of 1996 (SHB 2758), which requires the Forecast Council to select economic benchmarks, compile a database of variables that measure the state's economic climate, and prepare reports on the benchmarks twice a year.
2. REVIEW OFM ACCOUNTING - Funding is provided for the council to work with the Office of Financial Management to improve methods for estimating cash balances by fund.

Office of Financial Management

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
1995-97 ORIGINAL APPROPRIATIONS	18,620	23,238	41,858
1996 Supplemental Budget			
1. Performance Measurements	250	0	250
Total Supplemental Items	250	0	250
1995-97 REVISED APPROPRIATIONS	18,870	23,238	42,108
Fiscal Year 1996 Totals	9,282	11,870	21,152
Fiscal Year 1997 Totals	9,588	11,368	20,956

Comments:

1. PERFORMANCE MEASUREMENTS - Funding is provided for the Office of Financial Management to provide technical assistance to state agencies in the development of performance measurements pursuant to Chapter 317, Laws of 1996 (ESSB 6680 -- Agency Performance Assessments).

NOTE: Amounts shown here reflect only the Omnibus Appropriations Act. The remainder of the Office of Financial Management's budget is shown in the Transportation Budget section of this document.

Washington State Commission on Hispanic Affairs

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
1995-97 ORIGINAL APPROPRIATIONS	390	0	390
1996 Supplemental Budget			
1. Unemployment Compensation Benefits	<u>15</u>	<u>0</u>	<u>15</u>
Total Supplemental Items	15	0	15
1995-97 REVISED APPROPRIATIONS	405	0	405
Fiscal Year 1996 Totals	206	0	206
Fiscal Year 1997 Totals	199	0	199

Comments:

1. UNEMPLOYMENT COMPENSATION BENEFITS - One-time funding is provided for payment of unemployment compensation benefits.

Washington State Commission on African-American Affairs

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
1995-97 ORIGINAL APPROPRIATIONS	294	0	294
1996 Supplemental Budget			
1. Rent and Utility Increase	<u>7</u>	<u>0</u>	<u>7</u>
Total Supplemental Items	7	0	7
1995-97 REVISED APPROPRIATIONS	301	0	301
Fiscal Year 1996 Totals	151	0	151
Fiscal Year 1997 Totals	150	0	150

Comments:

1. RENT AND UTILITY INCREASE - Funding is provided to cover the rent and utility increase for the Olympia office where the agency is co-located with the Commissions on Hispanic and Asian-American Affairs. Funds are provided to fully cover the cost of rent and utilities.

Department of Retirement Systems

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
1995-97 ORIGINAL APPROPRIATIONS	0	31,827	31,827
1996 Supplemental Budget			
1. Audit Annual Financial Report	0	64	64
2. TRS 3 Transfer Consultants	0	650	650
Total Supplemental Items	0	714	714
1995-97 REVISED APPROPRIATIONS	0	32,541	32,541
Fiscal Year 1996 Totals	0	15,242	15,242
Fiscal Year 1997 Totals	0	17,299	17,299

Comments:

1. AUDIT ANNUAL FINANCIAL REPORT - Funding is provided for the audit of the agency's Comprehensive Annual Financial Report (CAFR). The State Auditor's Office has separated the cost of the Department of Retirement Systems CAFR audit from the agency compliance audit, which resulted in additional audit expenses. (Department of Retirement Systems Expense Fund)
2. TRS 3 TRANSFER CONSULTANTS - Funds are appropriated for the provision of detailed employee education information to Teachers Retirement System (TRS) Plan 2 members who are considering transferring to TRS Plan 3. This level of service would continue until the TRS Plan 3 transfer incentive period ends January 1, 1998. Before expending these funds, the department is to issue a request for proposal for employee education services. The department will also convene an advisory committee that includes the Office of Financial Management and representatives of teachers. The advisory committee will review the request for proposal, responses to the request, and any educational plan and materials that are developed. To ensure impartiality of the educational materials, no firm, business, or consultant awarded a contract to provide the education materials and services will be eligible to provide self-directed investment options pursuant to RCW 41.34.060. (Department of Retirement Systems Expense Fund)

State Investment Board

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
1995-97 ORIGINAL APPROPRIATIONS	0	8,068	8,068
1996 Supplemental Budget			
1. Investment Accounting/TRS Adjust	<u>0</u>	<u>412</u>	<u>412</u>
Total Supplemental Items	0	412	412
1995-97 REVISED APPROPRIATIONS	0	8,480	8,480
Fiscal Year 1996 Totals	0	4,099	4,099
Fiscal Year 1997 Totals	0	4,381	4,381

Comments:

1. INVESTMENT ACCOUNTING/TRS ADJUST - Funds are provided for an external system of records to support investment accounting and portfolio verification functions, as well as upgrading a staff position to perform necessary investment accounting and portfolio verification functions. Funding is provided to upgrade an existing accountant position for the TRS 3 implementation in FY 97. (State Investment Board Expense Account)

Department of Revenue

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
1995-97 ORIGINAL APPROPRIATIONS	125,667	8,119	133,786
1996 Supplemental Budget			
1. Warehouse Tax Study (SHB 2708)	45	0	45
Total Supplemental Items	45	0	45
1995-97 REVISED APPROPRIATIONS	125,712	8,119	133,831
Fiscal Year 1996 Totals	62,528	4,060	66,588
Fiscal Year 1997 Totals	63,184	4,059	67,243

Comments:

1. WAREHOUSE TAX STUDY (SHB 2708) - Funding is provided to study how the current tax structure affects warehouse and distribution businesses in this state as directed by Chapter 299, Laws of 1996 (SHB 2708). The bill also specifies that the department cannot spend these funds unless \$45,000 is received from other private and public sources for this study.

Department of General Administration

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
1995-97 ORIGINAL APPROPRIATIONS	567	93,640	94,207
1996 Supplemental Budget			
1. Emergency Food Assistance	2,500	0	2,500
2. Retrospective Rating	0	134	134
3. Transfer of Energy Functions	0	813	813
4. Garage Security	0	83	83
Total Supplemental Items	2,500	1,030	3,530
1995-97 REVISED APPROPRIATIONS	3,067	94,670	97,737
Fiscal Year 1996 Totals	1,117	46,875	47,992
Fiscal Year 1997 Totals	1,950	47,795	49,745

Comments:

1. EMERGENCY FOOD ASSISTANCE - Federal legislation has reduced the amount of money and food provided to Washington State for the operation of the Emergency Food Assistance Program. This program serves over 330 food banks and 127 soup kitchens across the state. Replacement funds are provided to continue the program at approximately the current level of service.
2. RETROSPECTIVE RATING - Provides expenditure authority to fund additional workplace safety materials and activities. (Industrial Insurance Premium Account)
3. TRANSFER OF ENERGY FUNCTIONS - With the elimination of the Energy Office, the Department of General Administration will assume the responsibility of assuring energy efficient operations in new and existing public facilities. Public facilities subject to energy efficiency efforts are school districts, state agencies, public colleges and universities, and local governments. (General Fund-Federal, Energy Account Non-appropriated, Energy Efficiency Services Account)
4. GARAGE SECURITY - Funding is provided for staffing costs associated with garage security. (Facilities and Services Revolving Account)

Department of Information Services

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
1995-97 ORIGINAL APPROPRIATIONS	0	180,414	180,414
1996 Supplemental Budget			
1. K-20 Technology Project	27,000	27,300	54,300
2. Governor Veto	0	-12,000	-12,000
Total Supplemental Items	27,000	15,300	42,300
1995-97 REVISED APPROPRIATIONS	27,000	195,714	222,714
Fiscal Year 1996 Totals	27,000	96,200	123,200
Fiscal Year 1997 Totals	0	99,514	99,514

Comments:

1. K-20 TECHNOLOGY PROJECT - Funding is provided for the development of a statewide K-20 education telecommunications network. In accordance with Chapter 137, Laws of 1996 (E2SSB 6705), the department will provide oversight and approval for the acquisition and development of the network. (General Fund-State, Data Processing Revolving Fund-State, State Building Account-State, K-20 Technology Account-State)
2. GOVERNOR VETO - K-20 Technology Improvements -- The Governor vetoed a \$12 million appropriation from the Data Processing Revolving Fund as part of the \$54.3 million total appropriation for the K-20 technology plan Chapter 137, Laws of 1996 (E2SSB 6705).

Washington State Liquor Control Board

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
1995-97 ORIGINAL APPROPRIATIONS	0	113,461	113,461
1996 Supplemental Budget			
1. Credit Card Pilot	<u>0</u>	<u>143</u>	<u>143</u>
Total Supplemental Items	0	143	143
1995-97 REVISED APPROPRIATIONS	0	113,604	113,604
Fiscal Year 1996 Totals	0	56,569	56,569
Fiscal Year 1997 Totals	0	57,035	57,035

Comments:

1. CREDIT CARD PILOT - Funding is provided for the Liquor Control Board to conduct a pilot project testing the effect of credit card use in state liquor stores as specified in Chapter 291, Laws of 1996 (HB 2341). The pilot is limited to twenty stores and eighteen months in duration. (Liquor Revolving Account)

Washington State Gambling Commission

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
1995-97 ORIGINAL APPROPRIATIONS	0	16,727	16,727
1996 Supplemental Budget			
1. Regulate Tribal Casinos	0	2,187	2,187
2. Emergency Funding	1,000	0	1,000
Total Supplemental Items	1,000	2,187	3,187
1995-97 REVISED APPROPRIATIONS	1,000	18,914	19,914
Fiscal Year 1996 Totals	0	9,554	9,554
Fiscal Year 1997 Totals	1,000	9,360	10,360

Comments:

1. REGULATE TRIBAL CASINOS - The expansion of tribal gaming has increased the regulatory workload of the Gambling Commission. The increased workload is attributable to three factors: expanded hours of operation from 240 hours each month to 560 hours; an increase in the number of gaming tables; and the addition of three new tribal casinos. Revenue to fund this increase comes from the tribes through fees for licensing services and direct billing for field monitoring. (Gambling Revolving Account, Non-appropriated)
2. EMERGENCY FUNDING - Funding is provided to cover an unexpected revenue shortfall. This is a one-time expenditure that will allow the agency to maintain sufficient regulatory and law enforcement activities.

Military Department

(Dollars in Thousands)

	GF-S	Other	Total
1995-97 ORIGINAL APPROPRIATIONS	14,951	47,105	62,056
1996 Supplemental Budget			
1. Matching Funds-Winter Storm Damage	0	22,161	22,161
2. Transfer from CTED	240	2,748	2,988
3. Enhanced 911 Grants	0	8,240	8,240
4. Disaster Recovery	0	4,573	4,573
5. Matching Funds - 1996 Flood Damage	0	94,621	94,621
Total Supplemental Items	240	132,343	132,583
1995-97 REVISED APPROPRIATIONS	15,191	179,448	194,639
Fiscal Year 1996 Totals	7,594	78,838	86,432
Fiscal Year 1997 Totals	7,597	100,610	108,207

Comments:

1. MATCHING FUNDS-WINTER STORM DAMAGE - Funding is provided to the Emergency Services Division's Individual Assistance, Hazard Mitigation, and Public Assistance Programs associated with the 1995 flooding and winter storms of November and December. The Flood Control Assistance Account funds are matching funds required to receive federal funds from the Federal Emergency Management Administration under a Presidential disaster declaration. (Flood Control Assistance Account-State: \$18,543,000, General Fund-Federal: \$3,618,000)
2. TRANSFER FROM CTED - As part of a technical correction, funds are moved from the Department of Community, Trade, and Economic Development (CTED) to complete the transfer of the Emergency Management Division to the Military Department. (General Fund-State, General Fund-Federal)
3. ENHANCED 911 GRANTS - The agency will provide grants to counties that are ready to begin implementation of Enhanced 911 telephone systems. (Enhanced 911 Account)
4. DISASTER RECOVERY - Funding is provided to the Emergency Services Division's Hazard Mitigation and Public Assistance Program and will be used to reimburse local governments for disaster recovery projects. Most of these disasters occurred in previous biennia, but because of delays in receiving federal approval for some projects and weather delays on other projects, federal and state fund payments could not be authorized previously. (Flood Control Assistance Account-State, General Fund-Federal)
5. MATCHING FUNDS - 1996 FLOOD DAMAGE - Funding is provided to the Emergency Services Division's Individual Assistance, Hazard Mitigation, and Public Assistance Programs associated with the flood damage of February 1996. The Flood Control Assistance Account funds are matching funds required to receive federal funds from the Federal Emergency Management Administration under a Presidential disaster declaration. Given the extraordinary level of damage incurred in some jurisdictions as a result of the February 1996 floods, funding is provided for the 12.5 percent local matching requirement for those locales where the cost of the flood damage is far beyond what the community's budget can support. (Flood Control Assistance Account-State: \$18,485,000, General Fund-Federal: \$76,136,000)

Agency 160

Office of Insurance Commissioner

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
1995-97 ORIGINAL APPROPRIATIONS	0	20,230	20,230
1996 Supplemental Budget			
1. HB 2490 - Reinsured Ceded Risks	<u>0</u>	<u>10</u>	<u>10</u>
Total Supplemental Items	0	10	10
1995-97 REVISED APPROPRIATIONS	0	20,240	20,240
Fiscal Year 1996 Totals		10,231	10,231
Fiscal Year 1997 Totals	0	10,009	10,009

Comments:

1. HB 2490 - REINSURED CEDED RISKS - The Insurance Commissioner received an appropriation of \$10,000 from the Insurance Commissioners Regulatory Account in Chapter 297, Laws of 1996 (HB 2490).